

HIND RECTIFIERS LIMITED

Lake Road, Bhandup (W), Mumbai - 400 078

Tel: +91 22 2569 6789 Fax: +91 22 2596 2461 Website: www.hirect.com e-mail: corporate@hirect.com

CIN : L28900MH1958PLC011077

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 58th Annual General Meeting of the members of HIND RECTIFIERS LIMITED will be held on Thursday the 4th August, 2016 at 3.30 p.m. at M. C. Ghia Hall, 4th Floor, 18/20, Bhogilal Hargovindas Building, K Dubash Marg, Kala Ghoda, Mumbai - 400 001, Maharashtra to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2016, along with the reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Smt. Uma S. Nevatia (DIN: 00341393), who retires from office by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of M/s. Khandwala & Shah, Chartered Accountants (Firm Registration No.:105069W) as statutory Auditors of the Company and to fix their remuneration.
4. To re-appoint Branch Auditors for Nashik and Dehradun plants, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To re-appoint Shri S. K. Nevatia as Chairman and Managing Director and in this regard, consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 the consent of the members be and is hereby accorded to the re-appointment of Shri S. K. Nevatia (DIN: 00341349) as Chairman and Managing Director of the Company for a period of three years w.e.f. 1st April, 2016 upon the terms and conditions as set out in the explanatory statement with liberty to the Board of Directors to alter or to vary the same so as not to exceed the limits set out in section 196, 197 & 198 read with Schedule V of the Companies Act, 2013 or any amendment thereto as may be agreed to between the Board of Directors of the Company and Shri S. K. Nevatia."

"RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing".

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, STAMPED AND SIGNED, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME OF THE ANNUAL GENERAL MEETING. A PROXY FORM IS SENT HERewith.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting

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rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a Certified True copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
4. Members / Proxies holding their shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
5. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
6. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form; they must quote their DP ID and Client ID Number.
7. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
8. Members/Proxies are requested to bring their copies of the Annual Report to the meeting.
9. The Ministry of Corporate Affairs ('MCA') under "Green Initiative in the Corporate Governance" allowed paperless compliances by the Companies. MCA had issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the form and hand over the same along with Attendance Form at the Registration Counter of venue of Annual General Meeting for registration of e-mail address for receiving notice / documents including Annual Report.
10. Electronic copy of the Annual Report for the year 2015-16 is being sent to all the members whose email IDs are registered with the Depository Participants. For members other than above, a physical copy of the Annual Report is being sent in the permitted mode.
11. Brief resume of all Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold Directorships, Memberships / Chairmanships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Regulation 36(3) of the Listing Regulations, are provided in the annexure.
12. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 25th July, 2016 to Thursday, the 4th August, 2016 (both days inclusive).
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar.
14. Members are hereby informed that dividends which remain unclaimed / unencashed over a period of 7 years has to be transferred by the Company to the Investors Education & Protection Fund, constituted by the Central Government under section 205(A) & 205(C) of the Companies Act, 1956.

Members should note that no claim can be made by the shareholders for the unclaimed dividends which have been transferred to the credit of the Investors Education & Protection Fund of the Central Government under the amended provisions of section 205(B) of the Companies Act, 1956.

The details of dividend paid by the Company and the corresponding due dates for transfer of unencashed dividend to the aforementioned fund constituted by the Central Government are furnished hereunder:

Dividend for the year	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2008 - 2009	10.09.2009	09.09.2016
2009 - 2010	12.08.2010	11.08.2017
2010 - 2011	05.08.2011	04.08.2018
2011 - 2012	07.08.2012	06.08.2019
2012 - 2013	12.08.2013	11.08.2020
2013 - 2014	14.08.2014	13.08.2021

Members, who have not encashed the dividend warrant(s) so far in respect of the above financial years, are therefore requested to make their claims to the Registrar and Transfer Agent of the Company or the Company at the Registered Office with full details.

15. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below and in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/s. ADROIT CORPORATE SERVICES PVT. LTD.

[Unit: Hind Rectifiers Limited]
17-20, Jafferbhoy Ind. Estate,
1st Floor, Makwana Road,
Marol Naka, Andheri (E), Mumbai 400059,
Tel: +91 22 4227 0400 Fax: +91 22 2850 3748
info@adroitcorporate.com
www.adroitcorporate.com

16. (a) Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the Registrar and Transfer Agent of the Company at the address given above under the signature of the Sole/First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the dividend warrants.
- (b) Members desirous of availing the facility of Electronic Credit of dividend are requested to send ECS Form to the Registrar and Transfer Agent of the Company at the address given above.
- (c) Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
17. The Statement setting out details relating to the Special Business to be transacted at the Annual General Meeting, pursuant to section 102(1) of the Companies Act, 2013, is annexed hereto.
18. All documents referred to in the notice are open for inspection at the Registered Office of the Company during office hours on all working days (except public holidays) between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
19. Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.
20. Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained

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under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

21. Pursuant to section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
22. The voting rights of the shareholders shall be in proportion to their share of the paid-up equity share capital of the Company as on 28th July, 2016 ("Cut-Off Date").
23. In case of members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman may offer an opportunity to such members to vote at the meeting for all business specified in the accompanying notice. Please note that the members who have exercised their right to vote by electronic means shall not vote at the meeting. If a member casts votes by both the modes, then voting done through e-voting shall prevail and voting done at the meeting shall be treated as invalid.
24. The results of e-voting and voting at the meeting, if any, on resolutions shall be aggregated and declared on or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite numbers of votes in favour of the resolutions.
25. The equity shares of the Company are listed on the following Stock Exchanges:
 - (a) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
 - (b) National Stock Exchange of India Limited, "Exchange Plaza", 5th Floor, Plot no. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

Company has made payment of listing fees to the Bombay Stock Exchange Limited and The National Stock Exchange of India Ltd. up to the Financial Year 2016-17.

26. Voting through electronic means Instructions for shareholders voting electronically are as under:
 - I. In compliance with provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 58th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on Monday, the 1st August, 2016 (9:00 a.m.) and ends on Wednesday, the 3rd August, 2016 (5:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, the 28th July, 2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a member receives an email from NSDL (for members whose email IDs are registered with the Company / Depository Participants(s)) :

- (i) Open email and open PDF file viz; "Hind Rectifiers remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Hind Rectifiers Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to maheshsoni@gmj.co.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company / Depository Participants(s) or requesting physical copy) :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
- | EVEN
(Remote e-voting Event Number) | USER ID | PASSWORD/PIN |
|--|----------------|---------------------|
| XXX | XXX | XXX |
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. Any person, who acquires shares of the Company and become a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 28th July, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer / RTA.
- X. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using

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"Forgot User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Shri Mahesh Soni, Partner, M/s. GMJ & Associates, Company Secretaries, Mumbai (Certificate of Practice No. 2324) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. At the AGM, the Chairman shall, at the end of the discussion on the resolutions on which voting is to be held, may allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company viz. www.hirect.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and NSE Limited.

By order of the Board of Directors
For **Hind Rectifiers Limited**

Place: Mumbai
Date: 27th May, 2016.

Meenakshi Anchlia
Company Secretary & Compliance Officer

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 5

The present term of Shri S. K. Nevatia as Chairman and Managing Director had expired on 31st March, 2016. The Board of Directors of the Company at their meeting held on 10th February, 2016 have re-appointed Shri S. K. Nevatia as Chairman and Managing Director of the Company for a further period of 3 (Three) years with effect from 1st April, 2016 subject to the approval of members of the Company at General Body Meeting on the following terms:-

- 1) Salary: ₹ 2,00,000/- p.m. (Rupees Two lacs only) w.e.f. from 1st April, 2016.
- 2) Benefits, Perquisites, Allowances:
 - a) Rent Free Accommodation / House Rent Allowance ₹ 1,00,000/- per month along with furniture.
 - b) Company's contribution to Provident Fund.
 - c) Mediclaim Policy and / or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad.
 - d) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.
 - e) Gratuity payable at a rate of half month's salary for each completed year of service.
 - f) Chauffeur driven Company's Car.
- 3) Commission: Such remuneration by way of commission, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, subject to the overall ceiling stipulated in section 198 read with Schedule V of Companies Act, 2013.

As the profits of the Company were inadequate the appointment of the Chairman and Managing Director was made as per the provisions of Section II Part II of Schedule V of the Companies Act, 2013.

1. The above revision and change in terms have been approved by a resolution passed by the Nomination and Remuneration Committee.
2. The Company has not defaulted on any debts or debentures or interest payable thereon.
3. The resolution proposed above is a Special Resolution.

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

1. General Information:

- i. Nature of Industry: The Company is engaged in manufacturing and marketing of Semi Conductor Devices, Power Electronic Products and Loco Transformers.
- ii. Date or expected date of Commercial Production: N.A., since the Company has already commenced its business activities.
- iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

Financial Performance:

(₹ in lacs)

Particular	For the year ended		
	F.Y. 2013-14	F.Y. 2014-15	F.Y. 2015-16
Total Revenue	9,717.59	9,433.91	9,454.75
Depreciation	228.67	146.98	157.53
Total Expenses	10,195.09	9,878.79	9,515.59
Net Profit / (Loss)	(706.17)	(591.86)	(218.37)
Paid up Capital	301.16	301.16	301.16
Reserves & Surplus	6,254.79	6,033.61	5,882.63
Earnings Per Share	(3.27)	(2.37)	(1.00)

Export Performance:

(₹ in lacs)

2015-16	2014-15	2013-14
651.75	155.26	81.28

Foreign Investments or collaborations, if any - Company does not have any investment outside India. Company has Technical Collaboration for manufacturing of Inverters, Converters, stacks etc.

Information about the Appointee:

Shri S. K. Nevatia aged about 84 years has got an experience of over 62 years to his credit. He is qualified as M.I.B.M. from London.

He started his career with Mukund Limited. He worked with them for 5 years and started this Company in April, 1958. The entire over 62 years of work experience is in the line of Semi Conductor Devices, Power Electronic Products and Loco Transformers.

Comparative remuneration with respect to Industry, size of the Company etc. is not possible to be complied as it is difficult to call and compile information from such industries. In this regard the Board is of the opinion that the proposed remuneration is not detrimental to the interest of either the Company or its other stakeholders.

Shri S. K. Nevatia is Chairman and Managing Director of the Company and his past remuneration for the last three years is as under:-

(₹ in lacs)

Particular	2015-16	2014-15	2013-14
Remuneration	43.42	43.56	43.07

Proposed Remuneration is mentioned in the Explanatory Statement.

Apart from receiving Managerial Remuneration, he does not have any other pecuniary relationship with the Company except his relationship with the Directors as described in Corporate Governance Report and holding 1821138 equity shares of the Company.

Comparative remuneration profile with respect to industry, size of Company, profile of the position and person:

Comparative Remuneration with respect to industry, size of the Company etc. is not possible to be complied as it is difficult to call and compile information from such industries. In this regard, the Board is of the opinion that the proposed remuneration is not detrimental to the interest of either the Company or its other stakeholders.

Other information:

The Company's performance was adversely affected due to low demand from infrastructures and capital goods sector. Non allotment of funds to the zonal railways and more emphasis of the railways for manufacture of three phase locomotives for which Company was having limited products.

To overcome the situation Company is concentrating on up gradation of existing products as well as development of products for railways and for other applications. The Company is focusing on export market and has achieved export turnover of ₹ 651.75 lacs in the year 2015-16 compared to the ₹ 155.26 lacs in the year 2014-15. In view of various steps taken by the Company loss for the year 2015-16 has been reduced to ₹ (218.37) lacs compared to the ₹ (591.86) lacs in the year 2014-15.

In the years to come with increase in sales and favorable market conditions performance of the Company will continue to rise.

Disclosure:

Necessary disclosures shall be made in the Directors' Report annually and shareholders will be provided all the necessary information.

The required information about the remuneration package, service contract etc. is given in Corporate Governance Report part of the Annual Report.

The agreement entered into between the Company and Chairman & Managing Director is open for inspection at the Registered Office of the Company during office hours on all working days (except public holidays) between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment / re-appointment as specified under section 190 of the Companies Act, 2013.

Shri S. K. Nevatia is interested in the resolution as the same is for his own appointment. Smt. Uma S. Nevatia and Shri Pawan Kumar Golyan may be deemed to be interested in the resolution being relatives of Shri S. K. Nevatia. None of the other Directors and Key Managerial Personnels of the Company is concerned or interested in the Special Resolution set out at Item No. 5 of the Notice.

Accordingly, the Board recommends the passing of the Special Resolution as set out in the Item No. 5 of the Notice.

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING REGULATIONS

As required under the Listing Regulations, the particulars of Directors who are proposed to be appointed / re-appointed are given below:

- | | | |
|--|---|---|
| 1. Name | : | Shri S. K. Nevatia (DIN : 00341349) |
| Age | : | 84 years |
| Date of Appointment | : | 25th April, 1958 |
| No. of shares held in the Company | : | 1821138 |
| Brief resume & functional expertise | : | Shri S. K. Nevatia, M.I.B.M. from London and associated with the Company for the last more than 59 years and earlier worked with Mukand Limited as Executive Director for a period of five years. |
| Directorship held in other Public Companies as on 31st March, 2016 | : | Nil |
| Chairmanship/Membership of Board Committees of other Companies | : | Nil |

- | | | |
|--|---|---|
| 2. Name | : | Smt. Uma S. Nevatia (DIN : 00341393) |
| Age | : | 80 years |
| Date of Appointment | : | 24th March, 2000 |
| No. of shares held in the Company | : | 1423959 |
| Brief resume & functional expertise | : | Smt. Uma S. Nevatia, is a B.A. Graduate from Mumbai University and is the Promoter Executive Director of the Company having total experience of more than 40 years. |
| Directorship held in other Public Companies as on 31st March, 2016 | : | Nil |
| Chairmanship/Membership of Board Committees of other Companies | : | Nil |